

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT
BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

Case No. 17-BK-3283

(LTS)

(Jointly Administered)

**ORDER REGARDING OMNIBUS MOTION BY OFFICIAL COMMITTEE
OF UNSECURED CREDITORS, FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD, AND ITS SPECIAL CLAIMS COMMITTEE TO
EXTEND TIME FOR SERVICE OF SUMMONSES AND COMPLAINTS
AND TO STAY CERTAIN ADVERSARY PROCEEDINGS [ADV. NOS. 19-
362, 19-363, 19-364, 19-365] RELATING TO CERTAIN HTA BONDS**

Upon consideration of the briefing and oral argument related to the *Omnibus Motion by Official Committee of Unsecured Creditors, Financial Oversight and Management Board, and Its Special Claims Committee to Extend Time for Service of Summonses and Complaints and to Stay Certain Adversary Proceedings [ADV. NOS. 19-362, 19-363, 19-364, 19-365] Relating to*

¹ The Debtors in these Title III cases, along with each Debtor's respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17- BK3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481), (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566 (LTS)) (Last Four Digits of Federal Tax ID: 9686), (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808), (iv) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17- BK-4780) (Last Four Digits of Federal Tax ID: 3747).

Certain HTA Bonds (Dkt. No. 7060 in 17-BK-3283; Dkt. No. 567 in 17-BK-3567) (“Motion”)², and the Court having found and determined that: (i) the Court has jurisdiction to consider the Motion and the relief requested therein pursuant to section 306 of PROMESA, and (ii) venue is proper before this Court pursuant to PROMESA section 307(a); the Court hereby ORDERS as follows:

1. The Motion is GRANTED IN PART as set forth herein.
2. The time for Movants to complete service of the summons and complaint in the Adversary Proceedings is extended to **September 1, 2019** as to all defendants. This extension is without prejudice to any party’s rights to seek further extensions.
3. Except to effectuate service of any complaint or third party complaint, the Adversary Proceedings are stayed until **September 1, 2019** absent further order of the Court.
4. Absent further order of the Court, no responsive pleading is due until thirty (30) days after the stay expires.
5. Any defendant or less than all plaintiffs in an Adversary Proceeding may at any time file a motion (a “Motion to Resume”) asking the Court to lift the stay applicable to such Adversary Proceeding for good cause shown.
6. A copy of this Order shall be served with service of the complaint or third party complaint. In addition, the Plaintiffs shall serve a copy of this Order on any and all Defendants who have been served to date.
7. The Plaintiffs shall be responsible for meeting and conferring with all interested Defendants who have been served with this Order for the purpose of submitting a

² Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

proposed joint case management order for the Court's consideration. The proposed order shall be filed by **12:00 noon on July 17, 2019**. The status of service and any proposed case management order will be discussed at the Omnibus Hearing scheduled for **July 24, 2019** in San Juan, Puerto Rico.

8. Absent good cause shown, and despite the extension of the ultimate service deadline, it is expected that all Defendants in lien avoidance actions shall have been served with the complaint and this order in sufficient time to participate in the preparation of the proposed joint case management order.
9. The extension of time for service of summonses and complaints and the stay of the Adversary Proceedings granted herein shall be without prejudice to the rights of, and have no effect on, any party concerning any other ongoing or future proceedings commenced by such party of these Title III cases.
10. In the event of a Motion to Resume filed by the Committee, the Committee may, in accordance with paragraph 11 of the *Stipulation and Agreed Order By and Among Financial Oversight and Management Board, Its Special Claims Committee, and Official Committee of Unsecured Creditors Related to Joint Prosecution of Debtor Causes of Action* (Dkt. No. 6254 in 17-BK-3283), seek to be appointed as sole plaintiff in the applicable Adversary Proceeding, and, upon a finding of good cause by the Court, the Committee shall be so appointed, which finding shall include a finding that section 926 of the Bankruptcy Code and/or any derivative standing requirements have been satisfied.
11. This Order shall be entered simultaneously in each of the following Adversary Proceedings: Adv. Proc. Nos. 19-362; 19-363; 19-364; 19-365.

12. This Order resolves Dkt. No. 7060 in 17-BK-3283 and Dkt. No. 567 in 17-BK-3567.

SO ORDERED.

June 13, 2019

/s/ Judith G. Dein
Judith Gail Dein
United States Magistrate Judge